

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary - Public

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Egypt

Post: Cairo

New Rice Trade Policy

Report Categories:

Grain and Feed

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Report Highlights:

The Egyptian Minister of Trade and Industry announced a new rice trade policy on October 13, 2009. The new policy de-links state rice tenders from the export system. The government target for rice export in 2009/10 is not to exceed 450,000 MT

General Information:

Rice, Milled			
Egypt			
	2007/2008	2008/2009	2009/2010

	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	USDA Official Data		Old Post	USDA Official Data		Old Post	USDA Official Data		Jan
			Data			Data			Data
Area Harvested	670	670	670	672	672	672	670	670	670
Beginning Stocks	370	370	370	685	635	685	792	742	792
Milled Production	4,385	4,385	4,385	4,387	4,387	4,387	4,374	4,374	4,374
Rough Production	6,746	6,746	6,746	6,749	6,749	6,749	6,729	6,729	6,729
Milling Rate (.9999)	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
MY Imports	20	20	20	20	20	20	10	20	10
TY Imports	20	20	20	20	20	20	10	20	10
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0
Total Supply	4,775	4,775	4,775	5,092	5,042	5,092	5,176	5,136	5,176
MY Exports	750	750	750	300	300	300	500	900	450
TY Exports	750	750	750	500	300	500	500	900	450
Total Consumption	3,340	3,390	3,340	4,000	4,000	4,000	4,000	3,680	4,000
Ending Stocks	685	635	685	792	742	792	676	556	726
Total Distribution	4,775	4,775	4,775	5,092	5,042	5,092	5,176	5,136	5,176

On October 13th, Minister Trade and Industry, Mr. Rashid Rashid, announced a new rice trade policy. Under the new rice trade policy, the government will hold monthly rice tenders to cover the quantities which are delivered under the ration card system. In order to expand the number of exporters, the government will put a limit for each exporter on the tonnage of rice that he can sell in the tender. Furthermore, export tax which is currently LE 2,000 per MT will be variable from tender to tender according to the prevailing rice prices in both local and international markets. According to press reports, the new system de-links state rice tenders from the export system as exporters are no longer required to sell their rice to the government to obtain a license. Next week the government will issue a tender for 100,000 MT for shipment in December 2009. Current local price for new rice crop is between LE850 and LE 900 per MT for rough rice. According to exporters, the government target for rice exports for 2009/10 is not to exceed 450,000 MT. This policy is part of a wider policy aimed at water conservation.